



RCSA IN FOCUS

PROMOTING EQUITABLE SUSTAINABLE GROWTH IN A DEMOCRATIC SOUTHERN AFRICA

3rd QUARTER 2005

IN FOCUS

by *Gerry Cashion, RCSA Mission Director*



Greetings to my colleagues and collaborators in Southern Africa and elsewhere. As some of you may have noticed, federal procurement is prominent in the news these days. There are stories about the former head of government procurement and his

legal woes. We see less than flattering articles about USG and USAID procurement and performance in Afghanistan and Iraq. In a November 7 story in Government Executive Newsletter, two academic analysts noted that Government purchasers spend over \$300 billion annually (40% of federal discretionary spending) on public procurement "vital to government success." They bemoan the lack of attention to the recruitment and training of procurement officers, which has in part helped guarantee a steady stream of scandals.

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ON THE MOVE

The RCSA welcomed the new **U.S. Ambassador to Botswana, Katherine H. Canavan**. Ambassador Canavan presented her credentials to Botswana President Festus Mogae on September 27th. Ambassador Canavan also serves as the Secretary of State's Special Representative to the Southern African Development Community (SADC).



Ambassador Canavan is well-acquainted with the Southern Africa region. She previously served as Ambassador to Lesotho and Deputy Chief of Mission in Namibia. Most recently, Ambassador Canavan served in Washington as the

Director of the Foreign Services Institute.

The RCSA hosted the entire U.S. mission in Botswana (Embassy, Peace Corps, Center for Disease Control, International Law Enforcement Academy) on September 22nd at an African Dress Day to welcome the new Ambassador.

Ambassador Canavan toured the USAID Southern African Global Competitiveness Hub ("Trade Hub") in October, meeting with Hub staff to discuss regional trade and competitiveness

issues. Later, the Ambassador met with the team that implements RCSA's Integrated River Basin Management (IRBM) project. IRBM works with the Okavango River Basin Commission (OKACOM) to improve the management of the Okavango River Basin, a resource shared by Botswana, Angola and Namibia.

United States Senator Byron Dorgan hosted a ceremony in Washington D.C. on September 16th to formally inaugurate a new RCSA US\$750,000 initiative. RCSA has partnered with the **World Initiative for Soy in Human Health (WISHH)** in a unique public-private partnership to improve nutrition and create business opportunities in Southern Africa. The project will work with businesses in nine Southern African countries (Angola, Botswana, Lesotho, Malawi, Mozambique, South Africa, Swaziland, Tanzania, Zambia) to include soy ingredients in already popular products, such as maize and sorghum based beverages. These enhanced products will provide a new source of protein in Southern African diets. This is especially important for people living with HIV/AIDS since proper nutrition is necessary to maximize the effectiveness of anti-retroviral drugs.



Ambassador Canavan, RCSA Director Gerald Cashion, WISHH representatives and others at the Washington signing ceremony

Participating businesses will be able to take advantage of technical assistance and training to help them improve the quality of their products and increase their nutritional value.

The new U.S. Ambassador to Botswana, Katherine Canavan, attended the September signing ceremony. Gerald Cashion, RCSA

Director, represented USAID. South Africa was represented by Dr. Sipiwe Mkhize, Minister of Agriculture for Embassy of South Africa in the U.S.

For more information about RCSA and WISHH, contact [Lawrence Johnson](#).

In October, the RCSA participated in the 2005 Regional Multi-Stakeholder Public Policy Dialogue in Johannesburg, South Africa. The conference was organized by RCSA-supported FANRPAN (Food and Natural Resources Policy Analysis Network). The theme was "**Creating a Conducive Policy Environment for a Food Secure SADC (Southern African Development Community)**".

The level of food insecurity in Southern Africa is high and rising. By 2015, the International Food Policy Research Institute (IFPRI) projects that the number of malnourished children in Sub-Saharan Africa will exceed 40 million.

Over 100 African professionals and development partners came together in Johannesburg to discuss how to overcome food insecurity and community vulnerability across the Southern Africa region. The conference featured a refreshing candor on the causes of chronic food insecurity, the need to formulate appropriate policy responses and the necessary actions to strengthen the resilience of the region and increase food production by rural smallholder farmers.

A number of resolutions were adopted at the conference including facilitating open markets in the region for food products and agricultural inputs, quantifying the impact of HIV/AIDS on food security, and strengthening regional and national agricultural policy analysis and advocacy. For more information about FANRPAN, contact [Cecilia Khupe](#).

The **RCSA Regional Contracting Office (RCO)** provides services to seven USAID country missions (Angola, Madagascar, Malawi, Mozambique, Namibia, Zambia, Zimbabwe) in addition to the RCSA itself. During the fiscal year ending September 30, 2005, the RCO team, headed by Cynthia Judge, obligated \$240 million to contract and grant awards. The RCO manages a contract and grant portfolio of over \$1.1 billion.

One of the most notable awards was a \$35 million contract to implement the **Zimbabwe HIV/AIDS Partnership Project**. This activity is designed to reduce the risk of sexual transmission of HIV by promoting behavior change through improved knowledge and increased access to HIV-related products and services.

The USAID/Zimbabwe team was headed by Janis Timberlake. Tonya Himelfarb (HIV/AIDS Office) and David Himelfarb (Program Development Officer) played key roles in the development of this innovative activity. The Partnership Fund leverages other donor resources to support HIV/AIDS communication and product and service needs across the entire U.S. Government HIV/AIDS program in Zimbabwe.

For more information about the Regional Contracting Office, contact [Cynthia Judge](#).

RCSA's long-awaited web site was launched in early October. The site features information about all of the programs of the RCSA, RCSA staffing, information about the Southern Africa region including links to key websites, and access to key documents. The web site address is: www.usaid-rcsa.org.

IN THE SPOTLIGHT

The results of the **Namibia Investor Roadmap** were publicly presented in Windhoek in September. The investor roadmap is a comprehensive diagnostic study of the steps required of investors to become legally established and operational in a country. The Roadmap was completed with the support of the RCSA Trade Hub.



Namibia Investor Roadmap Presentation
Left to Right: Namibia Chamber of Commerce and Industry Board Member Sackey Aiping, USAID/Namibia Director Gary Newton, Trade Hub consultant Sutherland Miller, Prime Minister Hon. Nahas Angula, Minister of Trade and Industry Immanuel Ngatjizeko

While Namibia has many favorable conditions that attract investment such as excellent infrastructure, political stability and a functioning democracy, a great deal of work is still required to improve and enhance the competitiveness of the investment climate. The country has experienced a sharp decline in foreign direct investment in recent years, falling from \$365 million in 2001 to only \$84 million in 2003. The decision to undertake an Investor Roadmap exercise was motivated by the need to improve the country's competitiveness in attracting investment. The Namibian Government requested USAID support to create a new Roadmap to assist them in attracting investment.

The Trade Hub team found Namibian legal and regulatory regimes to be largely transparent and well documented. Recommendations were made to simplify investment and regulatory procedures to reduce the time and cost of starting a business in Namibia.

The Prime Minister of Namibia, Nahas Angula, stated that the Investor Roadmap "has given us a good mirror through which we can identify our weaknesses in creating and maintaining an environment that is conducive to facilitating competitive and profitable businesses in our country."

For more information about the Namibia Investor Roadmap, contact [Lawrence Johnson](#).

The Trade Hub released the second edition of its quarterly publication, **INSAT** (Inside Southern African Trade). Issue 2 features stories on the response by Southern African countries to increased textile exports from China, Madagascar's new membership in the Southern African Development Community (SADC) and a review of regional integration through the Southern African Customs Union (SACU). Ambassador Sasara George, Botswana's former representative to the European Union (EU), granted an interview to INSAT in which he discussed prospects for the upcoming World Trade Organization talks in December in Hong Kong as well as ongoing negotiations with the EU. INSAT is available on the Trade Hub website at: http://www.satradehub.org/CXA_html/recent_new_sletter.pdf.

FOCUS ON: Empowering Communities in Angola for Development

Kuando-Kubango Province in southeastern Angola was one of the areas most affected by the 30 year civil war. People there must reestablish relationships, livelihoods and governance systems. Health and incomes depend on water, soil and forests. To support national and local government planning for sustainable development, information on local natural resources and socioeconomic conditions is essential. However, the approaches used for relief and recovery immediately following the war did not promote community involvement in identifying problems and solutions.

RCSA's Integrated River Basin Management (IRBM) project is strengthening the capacity of regional and local organizations such as the Angolan organization Association for Environmental Conservation and Integrated Rural Development (ACADIR). In August 2005, the IRBM project trained 15 ACADIR members in Participatory Rural Appraisal (PRA) techniques. Outreach officers and community representatives learned how to collect appropriate, relevant, and practical information.



Photos: Tracy Molefi

Youths in Lumeta village in Angola producing a community map that identifies their own priorities and needs

ACADIR and community organizers have now completed PRAs in nine communities and surveyed approximately 4,500 residents. These residents produced maps of the natural resource base and identified issues and needs of their communities. Lack of environmental services such as water, sanitation, and solid waste disposal and lack of health facilities were common concerns highlighted during the surveys. This was the first time PRA was applied in the province.

"We used to talk to the chief. The results are totally different when you talk to the women and youth separately... These techniques will assist us a lot," explained Robert Machalo, ACADIR Outreach Officer.

The RCSA is working in collaboration with the Okavango River Basin Commission (OKACOM) and other donors to help local organizations develop a model that engages civil society, municipal and regional governments to reduce threats to shared natural resources. These organizations, with USAID assistance, are using the results of the PRA to design and implement

community projects that improve livelihoods and address environmental problems.

For more information about the IRBM project, contact [Keith Kline](#) or [Chris Schaan](#).

Mitigating HIV/AIDS in Small Businesses

Small and medium size enterprises (SMEs) are frequently unable to initiate workplace HIV/AIDS intervention programs due to significant start up costs associated with establishing a comprehensive program. However, these same organizations understand the impact HIV/AIDS is having on their bottom line - profit. SMEs face the same challenges from HIV/AIDS as larger entities: high prevalence and death rates, which frequently result in staff turnover, lower productivity, and higher labor costs. In extreme cases, these costs result in business collapse and closure.

To assist SMEs in meeting the challenges posed by HIV/AIDS, RCSA's Trade Hub has developed workplace programs by establishing "clusters" of firms within defined geographic areas and sectors. Using this innovative approach, the Trade Hub's HIV/AIDS Advisor has worked with agribusiness clusters in South Africa and Zambia to design workplace programs. These clusters improve the efficiency and effectiveness of HIV/AIDS education and prevention, care and treatment programs.

The cluster approach allows for economies of scale and cost sharing among cluster members. For example, in each cluster one farm provides a facility for a medical clinic that offers testing, counseling, and referral for other services such as antiretroviral (ARV) treatment. The other farms in the cluster collectively fund the clinic staff. Even farm employees are encouraged to contribute resources to support the clinic.

So far the cluster approach has directly impacted the lives of more than 18,000 workers. Potentially, another 75,000 family members benefit from the clusters. Going forward, the RCSA plans to

implement the cluster approach in Swaziland and Mozambique.



Workers from farms in South Africa participate in an HIV/AIDS education event

For more information about HIV/AIDS mitigation, contact [Ikwo Ekpo](#).

RCSA Fights Corruption in Swaziland and Botswana

RCSA is supporting anti-corruption programs in Swaziland and Botswana. These are countries without a USAID country mission. With technical and financial support from the RCSA, the U.S. Embassy in Swaziland was able to respond to a request from the Prime Minister of Swaziland to conduct an assessment of anti-corruption measures in the Kingdom of Swaziland. In particular, the assessment sought to determine the adequacy of the Anti-Corruption Commission and a proposed anti-corruption law in providing effective institutional and legal frameworks for fighting corruption in Swaziland. The study was completed in June 2005.

The Swaziland assessment provided insight into the shortcomings of the existing anti-corruption legislation and Commission. The findings of the study will add impetus to the current debate on revamping both anti-corruption legislation and the Anti-Corruption Commission. Both the U.S. Embassy in Swaziland and RCSA will closely

monitor the impact of the assessment on the fight against corruption in Swaziland.

In support of U.S. Embassy Botswana's Mission Performance Plan, RCSA supported Transparency International-Botswana's (TIBOT) survey on public perceptions of corruption. The survey was completed in August. The survey was the first of its kind in Botswana, and only the second in Africa.

The results of the TIBOT survey confirmed that Botswana is perceived to have low levels of corruption, consistent with Transparency International's annual Corruption Perceptions Index (CPI). The CPI continually rates Botswana as the least corrupt country in Africa.

Those who have been victims of corruption indicated that corruption occurs more often within processes of public tenders, licensing, land allocation and fines than other areas of public service.

Dissemination of the survey findings will raise awareness of the incidence and pattern of corruption in the country and provide much needed information and data for evidence-based advocacy against corruption. The findings of the survey are expected to shape both policy development and effective implementation of anti-corruption interventions in Botswana.

For more information about anti-corruption activities, contact [Keboitse Machangana](#) or [Thato Jensen](#).

SOUTHERN AFRICA GLOBAL COMPETITIVENESS HUB



TRADE HUB HAPPENINGS

Botswana AGOA Forum Launched. In August, the Trade Hub sponsored the re-launch of the Botswana AGOA Forum by Honorable Daniel Moroka, Botswana's Minister of Trade and Industry, and Dr. Lois Aroian, Deputy Chief of

Mission of the US Embassy in Botswana. The Forum was attended by more than eighty members of the public and private sectors who will be working to identify additional products for export to the United States from Botswana and address exporters' business environment concerns.

Tourism in Southern Africa. The Hub hosted a roundtable meeting in Pretoria, South Africa in July of regional tourism leaders to agree on the strategic direction for the Tourism Products Alliance (TPA). This event included the launch of the TPA website (www.satourismproducts.org) which aims to promote tourism and tourism related products and new business-to-business linkages throughout Southern Africa.

Swaziland & AGOA. In July the Hub facilitated a two-day workshop in Swaziland entitled "Building Prosperity through Trade and Investment: Swaziland 2005". Workshop topics included diversification under the African Growth and Opportunity Act (AGOA), the Hub-sponsored Swaziland Investor Roadmap, and improving transportation logistics. The workshop launched a new Economic Diversification Task Force, made preparations for a trade diagnostic study, and contributed to the development of an action plan which addresses transport logistics constraints.

Mozambique Transit. The Trade Hub facilitated a meeting of the Trans Kalahari/Dar es Salaam/Maputo Corridors Customs Working Groups in July. The groups met to modify customs transit procedures to accommodate Mozambique and the Maputo Corridor. The adoption of regional simplified and harmonized procedures and documentation will assist in the elimination of costly delays at border posts and inland cargo terminals, increasing the competitiveness of trade through the Maputo Corridor.

Trade Data Analysis Training. At the request of the Ministry of Trade and Industry in Namibia, the Trade Hub conducted a training course on trade data analysis in September. Policy analysts and officers responsible for trade policy development attended the course. Twenty participants from the Ministries of Trade and Industry, Fisheries, Agriculture, Finance, the Central Bureau of

Statistics and the Namibian Economic Policy Research Unit (NEPRU) attended the workshop.

See www.satradehub.org for more information on Trade Hub activities.

AROUND THE REGION

U.S. Announces African Global Competitiveness Initiative

The US Government announced the **African Global Competitiveness Initiative (AGCI)** at July's fourth AGOA (African Growth and Opportunity Act) Forum in Dakar, Senegal. The AGCI will focus on improving the investment climate, the expansion and diversification of exports, and reducing transport costs that inhibit the competitiveness of African goods. The RCSA will support the AGCI through the Trade Hub.

The **Southern African Development Community (SADC)** swore in Dr. Tomas A. Salomao as the new Executive Secretary in August. Dr. Salomao is from Mozambique. SADC also welcomed **Madagascar** to its fold in August... Talks towards a free trade agreement between the U.S. and the **Southern Africa Customs Union (SACU)** resumed in September... **Malawi** entered into a \$21 million threshold country agreement with the Millennium Challenge Corporation. A threshold agreement provides assistance to countries to improve their policy performance and eventually qualify for a grant under the Millennium Challenge Account... The U.S. and **Mozambique** began talks in September to implement a Trade and Investment Framework Agreement, signed in June 2005.

HAIL AND FAREWELL

RCSA and USAID bid a fond and heartfelt farewell to Regional Legal Advisor **Kim Robinson**. Kim's commitment to Africa will continue as she seeks opportunities in the private sector. RCSA welcomes **Chris Schaan** and **Gofaone Sebonego**. Chris joins the Regional Program Implementation Office as a Natural Resources Management Specialist. Gofaone is a Voucher Tracking Specialist in the Regional Financial Management Office.

The Regional Contracts Office (RCO) is pleased to announce the arrival of **Kent Howard**, Regional Contracting Officer. Kent joined USAID in 1997. He worked in the Office of Acquisition and Assistance and the Africa Bureau, each for four years. Kent joined the Foreign Service in September 2004. Kent was a Peace Corps volunteer in Benin and Cameroon and is a graduate of Daemen College in Buffalo, New York.



New Regional Contracting Officer Kent Howard

Kent will be providing Acquisition and Assistance services to RCSA with the support of Ina Kandjii. He will also support USAID/Angola and USAID/Madagascar.

IN FOCUS

by Gerry Cashion, RCSA Mission Director

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And they rightly state that more auditors and inspectors general will continue to identify plenty of shortcomings but won't alleviate the problems or improve the procurement system. A statistic in a recent Front Lines piece (Front Lines being the in-house USAID publication) also caught my eye. I was interested to learn that USAID Acquisition and Assistance Officers manage five times the average amount managed by federal procurement officers government-wide.

RCSA's procurement office labored through most of FY 2005 with only two of its four U.S. Direct Hire procurement officers. Yes, the work generated by the President's HIV/AIDs Emergency Plan and by the Millennium Challenge Corporation compact and threshold countries substantially added to our procurement burden. Fortunately, the office has an excellent staff of contracting specialists who helped ease the load on the warranted officers. By the end of the fiscal year, RCSA's procurement professionals processed 655 actions, obligated \$240 million, and assumed responsibility for tracking \$1.1 billion in ongoing activities.

At the beginning of each fiscal year, we make a plea to our compatriots in U.S. Embassies and USAID Missions to put together a procurement plan. We ask you to prepare documents – even when you are unsure of budgets – and let us see early drafts. We ask you to help us spread the procurement tasks over the entire operational year so that there is no rush to judgment as the year-end approaches. This In Focus column constitutes my plea for FY 2006. Share your procurement plan with us right away. Help us make the taxpayers' dollars produce solid activities that spur economic and social development. Help us avoid the possibility of any scandal caused by a last minute rush. Help us keep our beleaguered procurement officers happy. Thanks.

And my best greetings of the season to you and yours. Gerry